

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6843

BILL NUMBER: HB 1083

NOTE PREPARED: Dec 22, 2003

BILL AMENDED:

SUBJECT: Fire Special Service District.

FIRST AUTHOR: Rep. Mahern

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows the Indianapolis and Marion County City-County Council to adopt an ordinance expanding a fire protection district if it determines that the consolidated city can provide reasonable and adequate fire protection service within the additional territory and that expansion of the district is in the public interest. It eliminates the prerequisite that a petition be filed with the Department of Metropolitan Development by landowners.

Effective Date: July 1, 2004.

Explanation of State Expenditures: If the overall property tax levy rises as a result of this bill as explained below, then the state's expense for Property Tax Replacement Credits (PTRC) and Homestead Credits would also increase. The amount of the potential increase is not known and is dependent on local action. PTRC and Homestead Credits are paid from the Property Tax Replacement Fund (PTRF) which is annually supplemented by the state General Fund. Any additional PTRF expenditures would ultimately come from the General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill would reduce the expenses of the Metropolitan Development Commission in making findings and recommendations to the city-county council on the expansion of fire districts.

Explanation of Local Revenues: The bill might make it easier to expand fire districts in Marion County. The possible expansion of fire districts could increase or decrease the property tax levies in the affected area.

Background: Under current law an ordinance to expand a fire district can not be considered by the city-county legislative body until a petition to include the additional territory in the district is first submitted to the Metropolitan Development Commission. The petition must be signed by a majority of the landowners, or by owners of property accounting for 75% of the assessed valuation in the proposed additional territory. The Metropolitan Development Commission must make findings of fact and recommendations to the city-county legislative body before the council can consider the expansion of a fire district. The bill would remove the petition requirement and the review and recommendation process by the Metropolitan Development Commission.

State Agencies Affected: Department of Local Government Finance.

Local Agencies Affected: Indianapolis and Marion County City-Council, Metropolitan Development Commission.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.